

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2005-01  
Bill No.: HB 802  
Subject: Children and Minors; Health Care; Health Department; Health, Public  
Type: Original  
Date: March 12, 2007

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Bill Summary: This proposal adds the inoculation for human papilloma virus to the list of required immunizations for school attendance.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$1,964,880)	(\$2,385,812)	(\$2,451,686)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$1,964,880)</b>	<b>(\$2,385,812)</b>	<b>(\$2,451,686)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

In response to a -02 version of this proposal, officials from the **Department of Insurance, Financial Institutions and Professional Registration** assumed the proposal would have no fiscal impact on their agency.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume the proposal would have no impact on their agency.

Fall enrollment for girls in grade six for 2004-2005 school year was 34,466. DESE assumes this proposal will result in unknown administrative costs to local school districts for tracking the immunizations, corresponding with doctors and parents, and retaining necessary records. DESE cannot determine the fiscal impact, but assume it would be significant.

Officials from the **Department of Social Services - Division of Medical Services (DMS)** assume there would be 12,000 females entering grade 6 each year. DMS assumes that for each child, the vaccine would be given 3 times over a six-month period, as indicated in the HPV vaccine literature. DMS also assumes an administration fee of \$5.00, which is the current Medicaid allowable for VCF administration. 12,000 recipients x \$5 per administration x 3

vaccines = \$180,000.

ASSUMPTION (continued)

Officials from the **Department of Health and Senior Services (DHSS)** state this proposal requires that all females receive the HPV vaccination prior to entering 6<sup>th</sup> grade. Parents objecting to the vaccination due to religious beliefs or medical contradictions will not be required to have their child vaccinated. Calculations on how many doses of HPV vaccine the Department would be required to order in order to meet the mandate established in the proposal are as follows:

# of Missouri children in the 11-year age cohort (the age when most children enter 6 <sup>th</sup> grade)	79,000
Est # of females in this age cohort(one-half)	39,500
Est # of this cohort served through the Vaccine for Children program (46.4%)	18,328
Est # of this cohort whose private insurance will cover HPV vaccinations (38.6%)	15,247
Remaining children not covered (15%)	5,925

Estimated cost of vaccine that would be needed for those not covered by some other means (based on the current CDC vaccine pricing list):

\$ 119.75	per dose
X 3	dose series
<hr/> \$ 359.25	per series
5,925	potential recipients
\$2,128,556	potential cost of HPV vaccine
\$3,300	estimated shipping cost
<hr/> \$2,131,856	total cost for vaccine*

\*In the first year of the estimated fiscal impact, funding may be made available through the Missouri Foundation for Health, but it is unclear at this time 1) the total amount of the funding, 2) whether the funds will last beyond the current year, and 3) whether the funds will be administered consistently to this age group.

ASSUMPTION (continued)

The proposal also requires DHSS to prescribe procedures by which each school district shall provide information to parents and guardians of female students relating to the connection between HPV virus and cervical cancer. The Department is assuming it will need to develop and distribute educational materials to all schools to meet this requirement. Based on similar types of educational programs, the Department is estimating a cost of \$10,000 to develop and distribute these materials. With the frequent updates and changes that are now in various stages with this vaccine (e.g. boy vaccine possibility), it is highly unlikely that information developed in a given year will still be relevant in subsequent years, which would potentially require the Department to develop new materials for the next several years.

For the purpose of this fiscal note, the Department is estimating an annual range of \$10,000 to \$2,131,856. It is not possible to determine how many of the estimated 5,925 uninsured children would require immunizations obtained from vaccine ordered by DHSS. At a minimum, the Department would have to provide educational materials to all girls in the age 11 cohort beginning in FY08.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>GENERAL REVENUE</b>			
<u>Costs - Department of Social Services:</u>			
Division of Medical Services			
HPV Vaccines	(\$180,000)	(\$180,000)	(\$180,000)
<u>Costs - Department of Health and Senior Services</u>			
Educational Materials	(\$8,333)	(\$10,000)	(\$10,000)
HPV Vaccine and Shipping Costs	<u>(\$1,776,547)</u>	<u>(\$2,195,812)</u>	<u>(\$2,261,686)</u>
<u>Total Costs - DHSS</u>	<u>(\$1,784,880)</u>	<u>(\$2,205,812)</u>	<u>(\$2,271,686)</u>
<b>NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$1,964,880)</u></b>	<b><u>(\$2,385,812)</u></b>	<b><u>(\$2,451,686)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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**POLITICAL SUBDIVISIONS**

<u>Costs - School Districts</u>			
Administrative Costs	(Unknown)	(Unknown)	(Unknown)

<b>ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

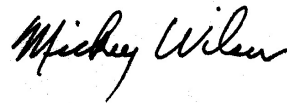
FISCAL DESCRIPTION

The Department of Health and Senior Services is required to provide information to parents or guardians of female students regarding the connection between human papilloma virus and cervical cancer. Female students enrolling in grade six, may be immunized for the human papilloma virus. This legislation adds reporting requirements for schools to prepare and send to the Department of Health and Senior Services.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Department of Health and Senior Services  
Department of Social Services  
Office of the Secretary of State  
Department of Insurance, Financial Institutions and Professional Registration

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, stylized "M" and "W".

Mickey Wilson, CPA  
Director  
March 12, 2007